

**MINUTES OF THE COMMITTEE  
ON  
BANKING AND FINANCIAL SERVICES**

Thursday, September 14, 2006

9:00 a.m.

Room 326 House Office Building

The House Standing Committee on Banking And Financial Services was called to order by the Chair.

Members present: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Dillon, Clemente, Mayes.  
Members absent/excused: Rep. Hunter.

Representative Huizenga moved to approve the minutes of the September 13, 2006 meeting. Representative Clemente supported the motion. There being no objection, the motion prevailed by unanimous consent.

The Chair laid HB 6457, HB 6458, and HB 6459 before the committee.

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| <b>HB 6457 Baxter</b> | Consumer protection; other; notification to consumer when new extensions of credit are opened in the consumer's name; require under certain circumstances. |
| <b>HB 6458 Farhat</b> | Commercial code; bank deposits and collections; stop payment orders because of identity theft; clarify.  |
| <b>HB 6459 Pastor</b> | Consumer protection; privacy; retention of a consumer's credit card information after purchase of goods or services; establish maximum time period.        |

David Pettit of Public Interest Research Group In Michigan testified in support of the bills. Mr. Pettit also submitted written testimony.

The Chair laid HB 6432, HB 6433, HB 6434, HB 6435, and HB 6436 before the committee.

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| <b>HB 6432 Amos</b>      | Financial institutions; generally; residential mortgage fraud; prohibit.  |
| <b>HB 6433 Pastor</b>    | Criminal procedure; sentencing guidelines; sentencing guidelines for crime of mortgage fraud; enact.                                  |
| <b>HB 6434 Marleau</b>   | Occupations; appraisers; prohibition on setting, developing, and communicating an appraisal based upon certain outcomes; provide for. |
| <b>HB 6435 Casperson</b> | Financial institutions; mortgage brokers; coercing or inducing  |

appraisers to inflate value of mortgaged property; prohibit.

**HB 6436 Amos** Consumer protection; unfair trade practices; residential mortgage fraud; prohibit.

Representative Huizenga moved to adopt substitute (H-1) for HB 6432. Representative Palsrok supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Chair Robertson offered the following amendments to substitute (H-1) of HB 6432:

1. Amend page 1, line 5, after "**DELIBERATE**" by inserting "**MATERIAL**".
2. Amend page 1, line 7, after "**DELIBERATE**" by inserting "**MATERIAL**".
3. Amend page 1, line 9, after "**A**" by inserting "**MATERIAL**".
4. Amend page 2, line 7, after "**DELIBERATE**" by inserting "**MATERIAL**".
5. Amend page 2, line 24, after "**DELIBERATE**" by inserting "**MATERIAL**".
6. Amend page 4, line 25, after "**MORE**" by inserting "**MATERIAL**".

Representative Palsrok moved to adopt the amendments. Representative Huizenga supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Green moved to report HB 6432 with recommendation as amended, as substitute (H-2). Representative Huizenga supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Green moved to report HB 6433 with recommendation. Representative Hune

supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Hune moved to report HB 6434 with recommendation. Representative Huizenga supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Huizenga moved to report HB 6435 with recommendation. Representative Green supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Green moved to adopt substitute (H-1) for HB 6436. Representative Hune supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Chair Robertson offered the following amendments to substitute (H-1) of HB 6436:

1. Amend page 8, line 27, after "**DELIBERATE**" by inserting "**MATERIAL**".
2. Amend page 9, line 4, after "**DELIBERATE**" by inserting "**MATERIAL**".
3. Amend page 9, line 5, after "**A**" by inserting "**MATERIAL**".

Representative Huizenga moved to adopt the amendments. Representative Green supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Hune moved to report HB 6436 with recommendation as amended, as substitute (H-2). Representative Palsrok supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

The Chair returned to the consideration of HB 6457, HB 6458, and HB 6459.

Representative Hune moved to report HB 6457 with recommendation. Representative Palsrok supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Huizenga moved to report HB 6458 with recommendation. Representative Hune supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Hune moved to report HB 6459 with recommendation. Representative Huizenga supported the motion. **The motion prevailed 7-0-1.**

**FAVORABLE ROLL CALL**

**Yeas: Reps. Robertson, Green, Huizenga, Hune, Palsrok, Clemente, Mayes.**

**Nays: None.**

**Pass: Rep. Dillon.**

Representative Green moved to excuse the absence of Representative Hunter. Representative Clemente supported the motion. There being no objection, the motion prevailed by unanimous consent.

There being no further business before the committee, the Chair adjourned the meeting at 9:27 a.m.

**Representative David Robertson, Chair**

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Dan Stump, Committee Clerk

House Banking And Financial Services Committee, (517) 373-5795